

# PPO: A new Medicare + Choice option



Senior Health Insurance  
Information Program

**Ask SHIIP**

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**Q:** What is a Medicare PPO?

**A:** Starting 2003 health care organizations in 23 states, including Indiana, will begin offering Medicare beneficiaries Preferred Provider Organization (PPO) health plans. Benefits will vary depending on the company offering the PPO, but some of the common features are:

(1) You use a network of preferred providers (hospitals, physicians, etc.) who provide all basic Medicare benefits plus some additional benefits not covered by Medicare. The additional benefits will vary from company to company, and **may** include a limited prescription benefit.

(2) You will have access to providers outside the network. This is one of the differences between a PPO and an HMO.

(3) You will pay a monthly premium, co-pays and deductibles. You will pay more if you use out of network service providers.

(4) Joining a PPO plan will replace your current Medicare and Medigap policy, hopefully resulting in cost savings.

The private company selling a Medicare PPO in Indiana is Advantage Health Solutions Inc. (1-888-238-8430). Residents in Allen, Boone, Hamilton, Hendricks, Johnson, Marion, Morgan, St. Joseph, and Shelby counties can begin signing up in November 2002 with coverage beginning January 1, 2003. If you do not live in one of these counties this option is currently not available to you.

When something new comes along sometimes people are reluctant to try it out. What if I don't like it? Can I change my mind? Anytime during the first year you have a PPO, you can return to original Medicare and the same Medigap (Medicare Supplemental Insurance) plan you had before. If your Medigap plan is no longer being sold you can pick out a new plan A, B, C, or F regardless of your health or age at an insurance company's best price. After one year you can still return to original Medicare at any time, but depending on your health and age you may not be able to purchase a new Medigap policy. If at any time Advantage Health Solutions

Inc. decides to stop offering the PPO, you would also have the opportunity (for 63 days) to purchase a Medigap Policy A, B, C, or F regardless of your health or age at an insurance company's best price.

If you are considering dropping an insurance policy from a former employer, union, or organization when joining a PPO, you should talk first to your benefits coordinator about whether or not you could re-enroll if you change your mind.

When looking at new choices and options it is important to weigh the benefits and the costs being aware of the protections you do have and the risks involved. This decision will be different for everyone depending on his or her needs, finances, health and insurance.

At the time this column was written (9/12/02) not much was yet known about the specifics this plan will be offering in Indiana. You can call your local SHIIP site or the toll free line at 1-800-452-4800 to find out the latest about: the PPO plan, where objective informational meetings will be held in your county, or to request a presentation for your group.

**Address your questions to:**  
Ask SHIIP

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SHIIP is a free, unbiased counseling program provided by the Indiana State Department of Insurance. For assistance, call your local SHIIP site to make an appointment or call the state office at 1-800-452-4800 to obtain a list of local SHIIP sites.